

South Carolina Department of Mental Health

FY2021-22 BUDGET HEARING

HOUSE WAYS & MEANS COMMITTEE

HEALTH & HUMAN SERVICES SUBCOMMITTEE

JANUARY 20, 2021

Agency Attendees

Kenneth M. Rogers, MD, State Director

Mark Binkley, JD, Senior Executive Assistant

Paul Morris, CPA, Chief Financial Officer

Noelle Wriston, Budget Director

Rochelle Caton, JD, Legislative Liaison

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Agency Overview

- SCDMH has more than 1,000 portals by which citizens can access mental health services, including:
 - a network of 16 outpatient community mental health centers, and 59 clinics covering all 46 counties;
 - two psychiatric hospitals, a hospital for addictive disease and one community nursing care center;
 - more than 20 specialized clinical service sites (DMH offices that provide some type of clinical care, but do not offer a full array of services found in a center or clinic)
 - 23 South Carolina hospitals with DMH Telepsychiatry services;
 - More than 150 community sites (non-DMH entities or businesses where DMH staff regularly and routinely provide clinical services); and
 - more than 820 school mental health service sites

Recurring Budget Requests Overview

The South Carolina Mental Health Commission and the leadership of the Department of Mental Health (SCDMH) are well aware of the adverse impacts which the current pandemic is having not only on the Department of Mental Health, but on the State of South Carolina's current and projected revenues.

While the most recognizable mission of SCDMH is to support the recovery of persons with a mental illness, State law authorizes, but does not require, SCDMH to operate psychiatric hospitals and community mental health centers. In contrast, the Department has several other important missions which are not only authorized, but mandated:

- 1. Forensics Services:** *SCDMH is required to provide Court ordered evaluations and psychiatric hospitalization to the increasing number of defendants referred by the State's criminal justice system;*
- 2. Sexually Violent Predator Treatment Program:** *SCDMH is required to operate the State's Sexually Violent Predator Treatment Program; and*
- 3. State Veterans Nursing Homes:** *SCDMH is the State agency designated by law in South Carolina to operate State Veterans Nursing Homes*

Each of the agency's FY2021-22 budget requests relate to one of the agency's 3 statutorily required missions. Given the adverse financial impact resulting from the pandemic, the Department is limiting its requests to those amounts needed to fully fund its mandated services.

Recurring Budget Requests

\$3,698,874 --- Forensic Services

- \$1,390,831 for Consumer Price Index (CPI) contractual obligation
- \$1,953,646 for annualization (exhaustion of cash balances)
- \$354,397 for increases in information technology costs (exhaustion of cash balances)

\$3,550,731 --- Sexually Violent Predator Treatment Program

- \$907,223 for census increases
- \$1,772,754 for annualization (exhaustion of cash balances)
- \$870,754 for Consumer Price Index (CPI) contractual obligation

\$16,037,336 --- State Veterans Nursing Homes

- \$1,998,209 for Richard M. Campbell State Veterans Nursing Home
- \$2,781,707 for Veterans Victory House
- \$5,628,710 for Veterans Village Nursing Home (Florence, SC)
- \$5,628,710 for Palmetto Patriot's Nursing Home (Gaffney, SC)

**Total Recurring Request:
\$23,286,941**

Capital Budget Requests

1 – Coastal-Empire HVAC, Sprinkler System, Fire Alarm & Roof	\$1,600,000
2 – Crafts-Farrow Campus Electrical Distribution System	\$1,200,000
3 – Harris Hospital Renovations (Anti-ligature)	\$6,005,645
4 – Gaffney Building Purchase & Renovations	\$985,000
5 – Crafts-Farrow Grease Trap Interceptor	\$388,000
6 – Campbell Nursing Home Refrigerator & Freezer Replacement	\$100,000
7 – Waccamaw Center HVAC, Sprinkler System, Fire Alarm & Roof	\$1,600,000
8 – Crafts-Farrow Fisher Auditorium & Library Demolition	\$250,000
9 – Bryan Chilled Water Loop Branch Line Replacement	\$500,000

Capital Budget Requests

10 – Crafts-Farrow Water Booster Pump Generator	\$155,000
11 – Morris Village Sidewalks and Drainage	\$245,000
12 – Bryan Energy Center Drainage	\$150,000
13 – Roddey Phased Water Piping Replacement	\$202,000
14 – Pee Dee MHC Boiler and Chiller Replacement	\$600,000
15 – Aiken-Barnwell HVAC Replacement	\$350,000
16 – Anderson-Oconee-Pickens MHC Construction	\$12,430,000
17 – Catawba MHC Construction	\$12,430,000
18 – Campbell Veterans Nursing Home Renovations	\$3,940,000

Capital Budget Requests

19 – Roddey Nursing Home Floor Replacement	\$1,000,000
20 – Morris Village Nursing Station Renovations	\$450,000
21 – Morris Village Infirmary	\$750,000

**Total Capital Request:
\$45,330,645**

Other Funds Authorization

Request to increase DMH's Other Funds Authorization by \$36,000,000.

35.3 --- DMH. Alzheimer's Funding

Requested Action: Delete

- The South Carolina Department of Mental Health's mission is to support the recovery of people with mental illnesses.
- Proviso 35.3, which is a passthrough of funds from the Appropriations Act to the Alzheimer's Disease and Related Disorders Association, benefits a cohort of the state's population that does not fall within the scope of SCDMH's mission.
- Consequently, SCDMH is requesting that the directive (proviso) instructing SCDMH to transfer said funds to the Alzheimer's Disease and Related Disorders Association be transitioned to a more appropriate state agency: the South Carolina Department of Aging.
- In order to facilitate this Proviso Revision Request, a companion proviso adding this obligation to the South Carolina Department on Aging must accompany this request to delete this obligation from the South Carolina Department of Mental Health.
- It is recommended that a period of transition be provided to allow SCDMH, the Alzheimer's Association, and the Department on Aging to coordinate this transference of agency responsibility.

35.3 --- DMH. Alzheimer's Funding

The South Carolina Department of Mental Health (SCDMH) was appropriated \$772,000 in recurring state funding by the South Carolina General Assembly to support the \$900,000 in funds subsequently passed through to the Alzheimer's Disease and Related Disorders Association.

Consequently, SCDMH was required to use \$128,000 in funds from other sources intended for the treatment of those with Serious and Persistent Mental Illness (SPMI) and Serious Emotional Disturbance (SED) to subsidize this budget line-item shortfall.

In order to transfer this responsibility to the South Carolina Department on Aging with a budget neutral fiscal impact, SCDMH will permanently transfer \$772,000 in state appropriations to the South Carolina Department on Aging, but the South Carolina General Assembly must then appropriate \$128,000 in new funds to the South Carolina Department on Aging to aggregate a budget line-item amount of \$900,000.

NEW --- DMH. Fitness to Stand Trial

Requested Action: Add

The Proviso would give the Department discretion to provide the restoration treatment to the defendant in a detention center, as a possible alternative to the current requirement in subsection (3) of Section 44-23430 that the defendant be hospitalized for the restoration treatment.

35.____. (DMH: Fitness to Stand Trial) It is the intent of the General Assembly that the Department of Mental Health be authorized to initiate a pilot project to determine the efficacy and costeffectiveness of providing treatment services in a detention center to adult criminal defendants who have been determined unfit to stand trial but likely to become fit in the foreseeable future. Notwithstanding the provisions of Section 44-23-430, if upon completion of the hearing and consideration of the evidence the court finds that the person is unfit to stand trial but likely to become fit in the foreseeable future, and the court orders the person hospitalized for up to an additional 60 days, the Department of Mental Health shall have discretion to provide the restoration treatment to the person in a hospital or in a detention facility.

Other Financial Needs

In furtherance of its responsibility to keep the State's elected leadership informed of the agency's financial situation, SCDMH presents its projected financial needs to sustain, at current levels, its civil psychiatric hospital services and community mental health services, and to meet the anticipated increasing demand for public mental health services due to both the emotional and economic impacts of the pandemic.

1 – Sustainability of Services	\$12,580,003
2 – Sustainability of Workforce	\$21,666,720
3 – Out of Home Placement (OOHP) funds for high-risk adolescents	\$750,000
4 – Suicide Prevention	\$500,000
5 – Appointed Counsel in Civil Commitment Proceedings	\$400,000

Other Financial Needs

6 – Emergency Department Telepsychiatry	\$250,000
7 – Community Supportive Housing	\$500,000
8 – School Mental Health	\$600,000
9 – Young Adult Intervention Services	\$600,000
10 – Clinicians in Law Enforcement	\$325,000
11 – SC HOPES Mental Health Support Line	\$500,000
12 – Mental Illness Recovery Center, Inc. (MIRCI) Pass Through Funding	\$250,000

**Other Financial Needs:
\$38,921,723**